



PUDUMJEE

PUDUMJEE PULP & PAPER MILLS LTD.

Registered Office

~~Annexure~~
Annexure X

Statement of undertaking on the non applicability of Paragraph 5.16 of Securities Exchange Board of India ("SEBI") Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013 (as modified by paragraph 7 of SEBI Circular No. CIR/CFD/DIL/8/2013 dated 21st May, 2013)

Sub: Scheme of Arrangement and Reconstruction (Demerger) between Pudumjee Pulp & Paper Mills Limited ("PPPML" or the "Company") and Pudumjee Industries Limited ("PIL") and Pudumjee Hygiene Products Limited ("PHPL") and Pudumjee Paper Products Limited ("PPPL") and their respective shareholders and creditors ("Scheme") under Section 391 to 394 of Companies Act, 1956.

1. The Scheme provides for the demerger of the 'Demerged Undertaking 1' (defined in the Scheme) of PPPML, 'Demerged Undertaking 2' (defined in the Scheme) of PIL and Demerged Undertaking 3 (defined in the Scheme) of PHPL into PPPL, in accordance with the terms of the Scheme and pursuant to the provisions of sections 391 and 394 of the Companies Act, 1956, other relevant provisions of the Act and the provisions of the Companies Act, 2013 as notified.
2. In this connection we hereby submit the following on the non applicability of clause 5.16(a) of SEBI circular NO. CIR/CFD/DIL/8/2013 dated May 21, 2013 :

- i) Where additional shares have been allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed company.

The Scheme does not envisage allotment of additional shares to Promoter/Promoter Group, Related Parties of Promoter/Promoter Group, Associates of Promoter/Promoter Group, Subsidiary/(s) of Promoter/Promoter Group of the Company. The Scheme envisages issue of equity shares by PPPL to the existing shareholders of PPPML in the following proportion of 37 (Thirty Seven) equity shares of the face value of INR Rs.1 (Rupees one) each (credited as fully paid up) of the PPPL for every 20 (Twenty) equity shares of the face value of INR Rs. 2 (Two) each (credited as fully paid-up) held by such member in the PPPML and accordingly this clause is not applicable.

- ii) Where the Scheme of Arrangement involves the listed company and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter /Promoter Group, Subsidiary/(s) of Promoter / Promoter Group.

It may be noted in this relation that the Company and PIL are public companies that are listed on the National Stock Exchange of India Limited and BSE Limited. PPPL is a newly incorporated subsidiary of the Company. PPPL doesn't have any existing business or operations and was newly incorporated



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for facilitating the Demerger. PHPL is a wholly owned subsidiary of PIL. In view of above, applicability of 5.16(a)(ii) of the Circular, would not be in consonance with the underlying intention of Circular.

iii) Where the parent listed company, has acquired the equity shares of the subsidiary, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed company, and if that subsidiary is being merged with the parent listed company under the Scheme.

The Company has not acquired the equity shares of PPPL, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter/Promoter Group, Related Parties of Promoter/Promoter Group, Associates of Promoter/Promoter Group, Subsidiary/(s) of Promoter/Promoter Group of the Company PPPL was incorporated on 14th January 2015. There is no merger envisaged in the scheme. In view of the above this clause is not applicable.

4) Accordingly we believe that the requirements prescribed in Para 5.16(a) of the Circular in relation to voting by public shareholders through postal ballot and e-voting are not applicable to the Scheme proposed by the Company.

For Pudumjee Pulp and Paper Mills Ltd.


Company Secretary

Date: 17th January 2015



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Khare & Company

Chartered Accountants

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Tel.: (020) 25679706

PAN : ADWPS 9180 J
Service Tax Code No. ADWPS 9180 JSD002
FRN : 105100W
Membership No. : 016203

The Board of Directors
Pudumjee Pulp & Paper Mills Ltd.
Thergaon, Chinchwad,
Pune - 411 033.

Proprietor

Y. P. SHUKLA

M.Com.: F.C.A.

Residence:

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Date:-

CERTIFICATE

We are the statutory auditors of Pudumjee Pulp & Paper Mills Ltd. and have examined the attached undertaking dated 17th January 2015 concerning non applicability of para 5.16(a) of SEBI Circular No. CIR/CFD/DIL/8/2013 dated 21st May, 2013 read with SEBI Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013 in respect of the Scheme of Arrangement & Reconstruction between Pudumjee Pulp & Paper Mills Ltd., Pudumjee Industries Ltd., Pudumjee Hygiene Products Ltd., Pudumjee Paper Products Ltd. and their respective Shareholders and Creditors.

Based on our examination and according to the information and explanations given to us, we certify that for reasons mentioned in the undertaking, para 5.16(a) of SEBI circular is not applicable to the proposed scheme.

The certificate is issued at the request of Pudumjee Pulp & Paper Mills Ltd. pursuant to the requirement of the circular referred above for onward submission to Bombay Stock Exchange and National Stock Exchange. This certificate should not be used for any other purpose without our prior written consent.

Place: Pune
Date: 17th January 2015



For Khare & Company
Chartered Accountants


Y.P.Shukla
Proprietor
Firm Registration No.: 105100W
Name of the Member: Y. P. Shukla
Designation: Proprietor
Membership no. 016203

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